



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2011 Biennium

<b>Bill #</b>	HB0398	<b>Title:</b>	Increase authority of commissioner of political practices
<b>Primary Sponsor:</b>	Taylor, Janna	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns   |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<b>Expenditures:</b>				
General Fund	\$7,120	\$2,720	\$2,720	\$2,720
<b>Revenue:</b>				
General Fund	\$12,500	\$12,500	\$12,500	\$12,500
<b>Net Impact-General Fund Balance:</b>	<u>\$5,380</u>	<u>\$9,780</u>	<u>\$9,780</u>	<u>\$9,780</u>

**Description of fiscal impact:** The bill increases the authority of the Commissioner of Political Practices to enforce lobbying, campaign practices, and campaign finance laws. Increased expenditures include rulemaking and legal services.

### FISCAL ANALYSIS

#### Assumptions:

#### **Commissioner of Political Practices (CPP)**

1. Rulemaking is required. The cost of contracted services for formatting per ARM regulations and legal services will add an estimated \$4,400 in FY 2010.
2. An estimated 25 candidates will file late. After receiving a notice of an accruing civil penalty, these candidates will file on average, five days later. The revenue collected from the civil penalty would be \$6,250. (25 candidates @ \$50/day x 5 days)
3. Collecting \$6,250 in late filing fees will result in approximately \$1,360 of legal costs.
4. An estimated 25 disclaimer violations will occur. After receiving a notice of noncompliance, the affected party will file on average, five days later. The revenue collected would be \$6,250. (25 disclaimer violations @ \$50/day x 5 days)
5. Collecting \$6,250 in disclaimer penalties will result in approximately \$1,360 of legal costs.

	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>	<b><u>FY 2012 Difference</u></b>	<b><u>FY 2013 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Operating Expenses	<u>\$7,120</u>	<u>\$2,720</u>	<u>\$2,720</u>	<u>\$2,720</u>
<b>TOTAL Expenditures</b>	<b><u>\$7,120</u></b>	<b><u>\$2,720</u></b>	<b><u>\$2,720</u></b>	<b><u>\$2,720</u></b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	<u>\$7,120</u>	<u>\$2,720</u>	<u>\$2,720</u>	<u>\$2,720</u>
<b>TOTAL Funding of Exp.</b>	<b><u>\$7,120</u></b>	<b><u>\$2,720</u></b>	<b><u>\$2,720</u></b>	<b><u>\$2,720</u></b>
<b><u>Revenues:</u></b>				
General Fund (01)	<u>\$12,500</u>	<u>\$12,500</u>	<u>\$12,500</u>	<u>\$12,500</u>
<b>TOTAL Revenues</b>	<b><u>\$12,500</u></b>	<b><u>\$12,500</u></b>	<b><u>\$12,500</u></b>	<b><u>\$12,500</u></b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	<u>\$5,380</u>	<u>\$9,780</u>	<u>\$9,780</u>	<u>\$9,780</u>

**Technical Notes:**

1. The "order of noncompliance" provisions in 13-35-225, MCA, don't appear to coordinate in tandem with the existing statutes providing for issuance of orders of noncompliance (13-37-115 and 13-37-121, MCA). The order of noncompliance authorized by 13-37-121, MCA, applies to late statements and reports, while the order of noncompliance referred to in the proposed new subsection (6) of 13-35-225, MCA, applies to instances of violations.

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*